## Message Text

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**ORIGIN EB-03** 

INFO OCT-01 SS-14 ISO-00 NSC-05 NSCE-00 PRS-01 ARA-06

INR-07 CIAE-00 DODE-00 L-01 /038 R

DRAFTED BY EB/AN:AJRIMAS:DAP APPROVED BY EB/OA:MHSTYLES CAB - D. LITTON ARA/EP - F. CORRY EB - C. HAND

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R 150331Z FEB 75 FM SECSTATE WASHDC TO AMEMBASSY LIMA INFO AMEMBASSY BUENOS AIRES AMEMBASSY LA PAZ AMEMBASSY QUITO

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LIMDIS

E.O. 11652:GDS

TAGS: EAIR, PE

SUBJECT: US-PERU CIVAIR PROBLEMS

1. DEPARTMENT HAS PREPARED CONTINGENCY PRESS RELEASE TO BE USED IN EVENT CAB INITIATES ACTION AGAINST AEROPERU. EMBASSY MAY ISSUE IT SIMULTANEOUSLY WITH DEPARTMENT UPON RECEIPT NOTIFICATION OF CAB ACTION AND TIME AND DATE OF PRESS RELEASE. TEXT FOLLOWS:

"US-PERU CIVIL AVIATION QUESTION

"THE CIVIL AERONAUTICS BOARD (CAB) ISSUED AN ORDER ON (  $\,$  ) REQUIRING AEROPERU, THE INTERNATIONAL AIRLINE OF PERU, TO SHOW CAUSE WHY ITS FOREIGN AIR CARRIER PERMIT AUTHORIZING CONFIDENTIAL

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AIR SERVICE TO THE UNITED STATES SHOULD NOT BE CANCELLED.

INTERESTED PARTIES ARE GIVEN 20 DAYS IN WHICH TO FILE OBJECTIONS WITH THE CAB AND REQUEST AN EVIDENTIARY HEARING. THIS ACTION IS BEING TAKEN BECAUSE OF RESTRICTIONS UNILATERALLY IMPOSED BY PERU ON BRANIFF INTERNATIONAL AIRLINES ON FEBRUARY 1. THESE RESTRICTIONS ARE IN VIOLATION OF THE US-PERU AIR TRANSPORT AGREEMENT. THE UNITED STATES GOVERNMENT HAS NEVERTHELESS ATTEMPTED TO NEGOTIATE THE CIVIL AVIATION DIFFERENCES WHICH HAVE ARISEN WITH PERU

AND STANDS READY TO NEGOTIATE AN EQUITABLE SOLUTION.

"THE RESTRICTIONS IMPOSED ON BRANIFF HAVE SEVERELY LIMITED THE OPERATING RIGHTS OF THE AIRLINE TO CARRY TRAFFIC BETWEEN THE UNITED STATES AND PERU AND ADVERSELY EFFECT THE VIABILITY OF ITS SERVICES TO PERU. THE UNITED STATES GOVERNMENT HAS PROTESTED THIS ACTION BUT, DESIRES BRANIFF TO CONTINUE UNDER THE NEW CONDITIONS FOR THE TIME BEING IN ORDER NOT TO UNDULY INCONVENIENCE THE TRAVELING PUBLIC

"IT HAS CONSISTENTLY BEEN THE POSITION OF THE UNITED STATES GOVERNMENT THAT THERE IS A LARGE AND EXPANDING MARKET FOR AIR SERVICES BETWEEN THE TWO COUNTRIES. AIR-LINES OF BOTH COUNTRIES CAN PROFITABLY SERVE THIS MARKET. IN FACT, WHILE BRANIFF HAS SOUGHT TO MAINTAIN AND EXPAND ITS SERVICES TO PERU. THE UNITED STATES GOVERNMENT HAS ALSO TRIED TO BE RESPONSIVE TO THE SPECIAL NEEDS OF AERO-PERU, THE NEW AND GROWING PERUVIAN AIRLINE. IN THIS SPIRIT, THE UNITED STATES GRANTED AN OPERATING PERMIT TO AEROPERU IN JULY 1974 WITHOUT CERTAIN CONDITIONS TO WHICH PERU HAD OBJECTED AND IN HALF THE TIME NORMALLY RE-QUIRED FOR SUCH GRANTS. IN ADDITION, DURING THE COURSE OF RECENT NEGOTIATIONS WITH PERU, REPRESENTATIVES OF THE UNITED STATES GOVERNMENT OFFERED AEROPERU LANDING RIGHTS AT NEW YORK WITHIN THE CONTEXT OF AN OVERALL AGREEMENT. FOR ITS PART, BRANIFF OFFERED A COOPERATIVE SPACE SHARING ARRANGEMENT TO AEROPERU WHICH WOULD HAVE BEEN BENEFICIAL TO THE PERUVIAN AIRLINE.

"THE US GOVERNMENT CONTINUES READY TO NEGOTIATE AN EQUIT-CONFIDENTIAL

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ABLE SETTLEMENT OF THE CIVIL AVIATION ISSUES IN QUESTION TO PROVIDE FOR PARTICIPATION BY BOTH AEROPERU AND BRANIFF IN THE GROWING AIR TRAFFIC BETWEEN OUR TWO COUNTRIES. IT ALSO BELIEVES THAT THE CONVENIENCE OF THE TRAVELING PUBLIC - AND THE NEEDS OF TOURISTS, BUSINESSMEN, AND OTHER VISITORS FLYING TO AND FROM LIMA - WILL BE BEST SERVED BY AN AGREEMENT WHICH CONTEMPLATES AN EXPANDING, RATHER THAN DECLINING LEVEL OF SERVICE TO AND FROM PERU BY THE

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"WO AIRLINES." INGERSOLL
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## Message Attributes

Automatic Decaptioning: Z Capture Date: 01 JAN 1994 Channel Indicators: n/a

**Current Classification: UNCLASSIFIED** 

Concepts: TEXT, CIVIL AVIATION, PRESS RELEASES, AVIATION AGREEMENTS

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Review Comment: n/a Review Content Flags: Review Date: 03 SEP 2003

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**Review Media Identifier:** Review Referrals: n/a Review Release Date: n/a Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

Secure: OPEN Status: NATIVE

Subject: US-PERU CIVAIR PROBLEMS TAGS: EAIR, PE, US, AEROPERU, BRANIFF

To: LIMA

Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006